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JCS: PLEASE PASS TO GENERAL PACE

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SUBJECT: POLITICAL SCENESETTER FOR GENERAL PACE

Classified By: Ambassador Ryan C. Crocker, Reasons 1.4 (b) and (d)

11. (S) The U.S. Mission in Pakistan warmly welcomes your planned March 20 - 22 visit to Pakistan. As demonstrated during President Bush's recent visit to Islamabad, both President Pervez Musharraf and Prime Minister Shaukat Aziz are western-oriented modernizers who are trying to move Pakistan toward enlightened moderation. They view the President's visit as a landmark in the relationship and were gratified that he decided stay overnight in Pakistan. Energy Secretary Bodeman's March 13 follow up visit addressing

#### SIPDIS

Pakistan's concerns about energy was also helpful. Your visit comes as Pakistan's leaders are working to contain the fallout from the Danish cartoon controversy, while simultaneously suppressing violent separatists in Balochistan, combatting al-Qa'ida and extremists in the Tribal Areas along the Afghan border and guiding earthquake recovery operations. The government remains fully engaged in earthquake recovery operations, with attention turning from emergency relief toward long-term reconstruction. We are optimistic that robust USG participation in the earthquake relief effort will promote more positive public opinion toward the United States and help us advance key U.S. objectives, including democratization, regional stability and progress in the global war on terror. Our mission in Pakistan remains a critical high-threat post, as demonstrated by the March 2 bombing at the U.S. Consulate in Karachi that killed two staff members.

# The Cartoon Controversy

- 12. (C) Since mid-February, tens of thousands of Pakistani demonstrators have taken to the streets to protest the publication of the Danish cartoons. Rallies in Lahore and Peshawar have been particularly destructive, with rampant looting and vandalism in parts of downtown Lahore and Peshawar and six protesters killed. Although more demonstrations throughout Pakistan followed (including a widely-observed nationwide strike on the day of President Bush's arrival), enhanced security measures by the Government of Pakistan (GOP) has prevented any repetition of the unrestrained violence of last month. Over time, the protests have taken on a greater political tone. The outrage against the Danes and the EU still festers, but opportunistic politicians have subverted public sentiment in order to condemn the West as a whole (including the U.S.) and to embarrass the Musharraf government.
- 14. (C) Following President Bush's lead, your visit presents an opportunity to remind the Pakistani people that the United States understands the sentiments of the Muslim community and that, while we strongly support freedom of expression, we

also believe the press should behave responsibly. More broadly, it will be an opportunity to underscore our desire for warm relations with the Muslim world and a sustained partnership with Pakistan as it addresses the long-term challenges of development and the immediate challenge of earthquake recovery.

### Earthquake Relief

- 15. (U) The October 8 earthquake (7.6 on the Richter scale) in Azad Jammu and Kashmir (AJK) and the North West Frontier Province (NWFP) was the strongest to hit the region in over a century. The Government of Pakistan (GOP) estimates that more than 73,000 individuals died in the quake, with more than 69,000 wounded and some 2.8 million survivors left homeless. The United States has been Pakistan's most visible international partner in delivering emergency relief over the last five months.
- 16. (U) The U.S. military has been on the ground since October 10. At the peak of initial relief efforts, more than 1,200 personnel and 24 helicopters provided vital transport, logistics and medical and engineering support in affected areas. As the emergency relief phase is coming to an end, we have closed the two U.S. military hospitals, turning over much of the medical equipment to Pakistani counterparts. Our Seabee unit has also departed Muzaffarabad, leaving behind 25 pieces of heavy construction equipment as a donation to Pakistani military engineering units. U.S. airlift operations will be phased out in late March.
- 17. (U) The U.S. military and USAID collaborated closely on the civilian relief effort, with the military providing logistics and USAID working with NGOs to deliver supplies and services in camps and villages. USAID has provided more than USD 60 million in additional humanitarian assistance through NGOs and the United Nations, including blankets, tents, plastic sheeting and shelter kits to help the affected population make it through the harsh Himalayan winter. USAID recently made its first reconstruction grant of USD 15 million to rebuild schools and hospitals. In total, the USG has pledged \$510 million for earthquake relief and reconstruction efforts. The U.S. private sector is also engaged. A consortium of CEOs (GE, Pfizer, Citigroup, Xerox and UPS) is spearheading the South Asia Earthquake Relief Fund, which has already attracted approximately \$24 million.
- 18. (C) Our prompt and generous response is shifting Pakistani attitudes about the United States, qualitatively improving bilateral relations and sustaining the relationship

during popular unrest. The hand-in-glove cooperation between U.S. and Pakistani military personnel has palpably reduced suspicions at the middle and upper ranks of the Pakistani army. As we have drawn down our military presence, we have emphasized that our transition is in parallel with the shift from emergency relief toward the civilian reconstruction phase of the recovery effort. Pakistanis, who have long been convinced that we are fair-weather friends, are beginning to understand that we are interested in a long-term relationship.

### Democratization

19. (C) President Musharraf has committed - publicly and privately - to move Pakistan toward a civilian-led democracy by the next national elections, which must be held by 2007. U.S. visitors should remind their Pakistani interlocutors (particularly those in the military) of the importance our elected leaders - including President Bush and members of Congress - attach to this transition. The government must address significant organizational issues before the 2007 national elections, not least of which is an empowered and well-trained election commission. As a first step, we have urged President Musharraf to appoint a permanent, independent Chief Election Commissioner who is acceptable to all

mainstream parties. When engaging Pakistani contacts, U.S. officials should reinforce the need for civilian control of the military and for the military's full and permanent disengagement from electoral politics. At the operational level, USAID supports democratization efforts with programs to promote institutional development of the courts, the legislatures, and the political parties.

#### Afghanistan

- 110. (S) The roller-coaster relationship between Afghanistan and Pakistan remains susceptible to suspicions and recriminations on both sides, with Afghans concerned about cross-border infiltration and Pakistan worried that India is using assets in Afghanistan to destabilize Balochistan. President Musharraf, his government and military leaders recognize that Pakistan must support the Karzai government as it attempts to solidify its control over the country. To that end, the Government is committed to cooperating on operational security matters with the Afghan government and coalition forces through regular Tripartite Commission meetings. Over the longer term, President Bush's announcement of Reconstruction Opportunity Zone trade benefits could help boost employment opportunities on both sides of the Pakistan-Afghanistan border.
- 111. (S) The uptick in Pakistani military-militant clashes in North and South Waziristan, which began in December 2005 and surged in early March 2006 in North Waziristan, underscores Pakistan's difficulty in curbing insurgent activity. Despite a stated commitment by GOP and Pakistani military officials, limited resources, rugged terrain, and uneven capability and support within the Pakistani military, Frontier Corps, and Inter-Services Intelligence (ISI) limit Pakistan's ability to deliver quick results. We acknowledge the significant progress Pakistan has made in countering terrorist elements since September 2001, but we continue to press the GOP to move forcefully against al-Qa'ida, and more recently, the Taliban and other anti-Coalition militants (ACMs).

### India and Kashmir

- 112. (S) President Musharraf and his senior advisors have consistently told us that they have made a strategic decision to end the militancy and even Indian officials acknowledge that the level of violence and cross-border infiltration has declined (though Delhi attributes this to Indian security measures). President Musharraf believes the GOP's ability to control Kashmiri militants will be greatly enhanced if there is measurable progress with India on Kashmir. He has specifically pushed for a withdrawal of Indian forces from key population centers in Indian-administered Kashmir (a demand viewed with great skepticism in Delhi). Musharraf has privately signaled flexibility on final status, but in public remains steadfast
- in rejecting the Line of Control (LOC) as a permanent international boundary. While there has been little progress on these core issues relating to Kashmir, senior Indian and Pakistani officials meet regularly through the Composite Dialogue process, which has produced some confidence-building measures, including a pre-notification agreement for ballistic missile launches and the opening of five bus routes between the two countries.
- 113. (C) Responding to widespread public opinion, the two governments agreed to open five new LOC crossing points and to permit cross-LOC cell phone service following the October 8 earthquake, to allow divided Kashmiri families the opportunity to comfort one another. These limited measures are changing the dynamic in Kashmir and may accelerate internal pressure on Islamabad and Delhi to create additional space for interaction between Kashmiris in India and Pakistan.
- 114. (S) India has long resisted the involvement of third parties in settling the Kashmir issue, and Pakistani leaders understand that any move toward a direct mediating role by

the U.S. would be counterproductive. President Musharraf was pleased by President Bush's even-handed statements about the need for good relations between India and Pakistan and for a peaceful and mutually agreeable solution in Kashmir.

## Global War on Terrorism

- (S) Pakistan deserves commendation for standing with us in the global war on terror, including its efforts against al-Qa'ida and its forceful -- though so far unsuccessful -efforts to deny safe haven to extremist elements in Pakistan's untamed Tribal Areas along the Afghan border. Following the GOP's decision to extend central government control into the Tribal Areas (historically a "no go" region for the GOP), we have regularly encouraged Pakistani security forces to stay the course in the face of armed resistance. The Pakistan military has suffered over 1,000 casualties in the Tribal areas, with particularly heavy fighting during the days surrounding President Bush's visit. In recent months, the security situation, especially in Waziristan, has deteriorated, forcing the GOP to rethink its strategy. Musharraf has articulated a three-pronged approach comprising political initiatives, economic development and military operations that are faster, leaner and more targeted than in the past. We have offered to assist Pakistan's economic development efforts in the Tribal Areas and to provide the Pakistani military training on rapid strike capabilities as it realigns its military tactics.
- (C) In the aftermath of the July 7 London bombings, President Musharraf cracked down on terrorist/extremist organizations in Pakistan to much public fanfare. We have reserved judgment on whether the President has the will to hold the line against Pakistan's extremist elements for the long run. Initial law enforcement actions targeted the usual suspects -- conservative clerics and Islamist politicians -prompting a strong popular backlash, with conservatives decrying the focus on Islamists. Ultimately, the government released most detainees and watered down regulations intended to shine light on madrassa operations. We have repeatedly pressed senior GOP officials to act decisively against the operational leaders of key terrorist and extremist groups. We have also encouraged GOP officials to take action against madrassas that support, recruit for, or shelter these organizations.

### Balochistan

117. (S) Pakistani leaders are also struggling to cope with an insurgency in the resource-rich province of Balochistan, as local Baloch tribesmen seek to redress historic grievances against Pakistan and seize a greater share of their provincial patrimony. President Musharraf has swung back and forth between civilian advisors who are counseling caution and a negotiated settlement that addresses Baloch concerns, and military advisors who view the insurgency as an Indian-sponsored threat to national unity to be suppressed. To date, the pendulum appears to have swung toward the military option. This has clear implications for the military's ability to pursue shared U.S.-Pakistan objectives in the Tribal Areas and in the war on terror. The Pakistani military is already overstretched along its western borders, in North and South Waziristan, in earthquake relief and in managing domestic unrest over the cartoons. Moreover an escalation in armed conflict in Balochistan would create an inauspicious political environment in the run-up to national elections next year.

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